



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

APR 22 2011

OSWER Directive #9200.2-91

MEMORANDUM

SUBJECT: Model Notifications to Headquarters of Milestone Special Accounts Transactions

FROM: Elliott J. Gilberg, Director *Elliott J. Gilberg*
Office of Site Remediation Enforcement (OSRE)
Office of Enforcement and Compliance Assurance (OECA)

James E. Woolford, Director *J. Woolford*
Office of Superfund Remediation and Technology Innovation (OSRTI)
Office of Solid Waste and Emergency Response (OSWER)

Stefan Silzer
Stefan Silzer, Director
Office of Financial Management (OFM)
Office of the Chief Financial Officer (OCFO)

TO: Regional Counsels, Regions I – X
Superfund National Policy Managers, Regions I – X
Regional Comptrollers, Regions I – X

As part of EPA's oversight and management of special accounts, Regions are required by guidance to notify Headquarters of milestone decisions regarding the use of special accounts. In an effort to streamline the notification process, help bring national consistency to special account management, and hasten the review process for special account transactions, EPA is instituting changes to the notification process and issuing model notifications for use when:

- Notifying Headquarters of the intent to establish or deposit funds into a special account where the original agreement does not contain special account language,
- Notifying Headquarters of the intent to reclassify funds,
- Notifying Headquarters of the intent to transfer special account funds to the general portion of the Superfund Trust Fund (Trust Fund), and
- Notifying Headquarters of the intent to close a special account.¹

¹ Modifiable Word versions of these models are available on the OSRE intranet at, <http://intranet.epa.gov/oeca/osre/documents/models.html>.



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This memorandum supersedes the memorandum requirement and contacts required in the “Model Memoranda for Transferring Funds from a Special Account to the Superfund Trust Fund and Closing Out a Special Account” (January 21, 2009) and the “Revised Guidance on Reclassification of Superfund Special Accounts” (January 23, 2009). The most significant change eliminates the requirement for a formal memorandum for those transactions that involve less than \$200K.² For transactions involving less than \$200K, Regions should send an email to Headquarters staff, as indicated below. For transactions involving \$200K or more, Regions should still send formal notification memoranda to Headquarters. A current list of memoranda and email recipient contacts is located in EPA’s Special Accounts Frequently Asked Questions.³ Attachment 1 provides a summary chart of notification requirements. This memorandum does not supersede special accounts guidance on the information to be contained in these notifications.

When a memorandum is required, the Regions are encouraged to submit draft memoranda to Headquarters staff in OSRTI and OSRE for review, prior to finalizing them, in order to discuss potential issues with the action.⁴ Final memoranda may be submitted to Headquarters via email.

Below are descriptions of each of the model notifications attached to this memorandum.

Model Deposit Email (Attachment 2)

When the original agreement does not contain special account language, Regions are required to notify Headquarters of their intent to establish a special account or deposit newly received funds into an existing special account.⁵ Modification of the original agreement is not necessary, but to ensure the appropriate redirection of funds, the Regional Special Account Site Contact in the program office should, in consultation with legal and financial offices, send a Deposit Email (Attachment 2) to staff contacts in OSRE, OSRTI, and, if it is a removal site, Office of Emergency Management (OEM).⁶ A carbon copy should be submitted to the Regional staff’s branch chief, the staff contact in OCFO’s Office of Financial Services/Cincinnati Finance Center (CFC), other Regional contacts, and the site file.

The email should inform Headquarters of the intent to deposit funds into a newly established special account or into an existing special account, and indicate: 1) the potential future work at the site that may be funded by the special account and 2) the amount of the funds that the Region expects to deposit in the special account.

² The Special Accounts Senior Management Committee will periodically review if the transaction amount for which a formal memorandum is required should be changed.

³ Special Accounts Frequently Asked Questions are accessible from the OSRE Special Accounts Team and National Workgroup intranet site at, <http://intranet.epa.gov/oeca/osre/workgroup/sa-docs/sa-faqs-3-10-10.pdf>.

⁴ Special accounts contact information is available on OSRE’s Special Accounts Contacts page at, <http://intranet.epa.gov/oeca/osre/workgroup/sa/sa-contacts.html>.

⁵ *Consolidated Guidance on the Establishment, Management and Use of CERCLA Special Accounts*, p. 3 (October 4, 2002) (“*Consolidated Guidance*”) is available at, <http://www.epa.gov/compliance/resources/policies/cleanup/superfund/congui-estmgt-specacct.pdf>.

⁶ This memorandum supersedes the memorandum requirement and the contacts required in the *Consolidated Guidance*, p. 4 (October 4, 2002).

Model Reclassification/Transfer/Closeout Email (< \$200K) (Attachment 3)

For use when:

- 1) Reclassifying less than \$200K,
- 2) Reclassifying less than \$200K and transferring less than \$200K (including both principal and interest) to the Trust Fund⁷,
- 3) Reclassifying less than \$200K, transferring less than \$200K to the Trust Fund, and closing the account,
- 4) Reclassifying less than \$200K and closing the account,
- 5) Transferring less than \$200K to the Trust Fund, or
- 6) Transferring less than \$200K to the Trust Fund and closing the account.

Regions are required to notify Headquarters if they intend to conduct a reclassification of past costs originally expended from annually appropriated Trust Fund ("T") resources, transfer special account funds to the Trust Fund, or close an account.⁸ If these actions are individually less than \$200K, the notification to Headquarters can be made when requesting staff in either the Regional Finance Office or CFC to process these transactions. The Regional Special Account Site Contact should send a Notification Email (Attachment 3) to the staff contact in either the Regional Finance Office or CFC (whomever will be processing the action), and send a carbon copy to the Regional staff's branch chief, staff contacts in OSRTI, OSRE, and OEM if it is a removal site, and other Regional contacts. The email should identify the site name, special account number, and amount to be reclassified and/or transferred to the Trust Fund.⁹ The email should also affirm the nature of any future site work and that the action is consistent with any settlement agreements at the site. Regions are responsible for conducting reclassifications, transfers to the Trust Fund, and account closures consistent with current guidance. At the end of the fiscal year, OSRTI and OSRE will review a sample of accounts in each Region with reclassifications and transfers to the Trust Fund less than \$200K to ensure the actions were taken in accordance with guidance, including the assurances in Attachment 3 (e.g., for future work, settlement terms, etc.) were provided, and will report any concerns to the Regions and Special Accounts Senior Management Committee.

If the Regional Finance Office will be processing the reclassification and the account is not ready for closure, it is necessary to submit a Closeout Email to CFC (Attachment 6), as discussed below. If the Region plans to reclassify and/or transfer \$200K or more from the account, the Model Reclassification Memorandum (Attachment 4) or the Model Transfer Memorandum (Attachment 5), as discussed below, should be submitted to Headquarters instead of an email notification.

⁷ For the purpose of notifying Headquarters, the amount to be transferred to the Trust Fund should include both principal and interest.

⁸ *Revised Guidance on Reclassification of Superfund Special Accounts* (January 23, 2009) (*Reclassification Guidance*); *OCFO Fact Sheet, Superfund Special Accounts*, (April 2005); *Consolidated Guidance*, (October 4, 2002), *Superfund Special Accounts Closeout Procedures*, p. 2 (September 28, 2005).

⁹ This memorandum supersedes the memorandum requirement and contacts required in the *Reclassification Guidance* (January 23, 2009) and the *OCFO Fact Sheet, Superfund Special Accounts*, p. 2 (April 2005).

Model Reclassification Memorandum (including Transfer and/or Closeout) (>= \$200K) (Attachment 4)

For use when:

- 1) Reclassifying \$200K or more,
- 2) Reclassifying \$200K or more and transferring funds to the Trust Fund,
- 3) Reclassifying \$200K or more, transferring funds to the Trust Fund, and closing the account,
- 4) Reclassifying \$200K or more and closing the account,
- 5) Reclassifying less than \$200K and transferring \$200K or more to the Trust Fund, or,
- 6) Reclassifying less than \$200K, transferring \$200K or more to the Trust Fund, and closing the account.

If a Region will be conducting a reclassification involving an amount equal to or greater than \$200K, or reclassifying less than \$200K but transferring \$200K or more to the Trust Fund, a Reclassification Memorandum (Attachment 4) should be sent to Headquarters notifying them of the action. It should be submitted by the Regional Superfund Division Director and addressed to the OSRTI Office Director, OSRE Office Director, and, if it is a removal site, OEM Office Director. A carbon copy should be submitted to the OCFO Office of Budget (OB) Director, staff contacts in OSRTI, OSRE, OB, CFC, the Regional Budget Officer, and other Regional staff. The memorandum should include very brief information about the site history and settlement agreement(s), describe the status of the site's cleanup efforts, and explain how the Region will finance any remaining response activities (e.g., Five-Year Reviews). It should also provide the amount to be reclassified and how the recertified funds will be used.

If funds will be transferred to the Trust Fund and/or closeout of a special account will occur at the same time (or immediately following the reclassification), these actions can be included in the Reclassification Memorandum. Optional model transfer and closeout language is included in Attachment 4. If the account is not immediately ready for closure, it is necessary to submit a Closeout Email to CFC (Attachment 6), as discussed below. If less than \$200K will be reclassified, the Regions may submit a Notification Email (Attachment 3) to Headquarters, as discussed above.

Model Transfer Memorandum (including Closeout) (>= \$200K) (Attachment 5)

For use when:

- 1) Transferring \$200K or more to the Trust Fund, and
- 2) Transferring \$200K or more to the Trust Fund and closing the account.

Regions are required to notify Headquarters when transferring special account funds to the Trust Fund.¹⁰ The Transfer Memorandum (Attachment 5) should be used when the Region plans to transfer \$200K or more to the Trust Fund. Regions should only transfer funds when more funds reside in the account than are needed to fund future work or reclassify past costs.

¹⁰ *OCFO Fact Sheet, Superfund Special Accounts*, p. 2 (April 2005) is available at, <http://intranet.epa.gov/ocfo/policies/factshts/fs-superfund-sheet.pdf>; *Consolidated Guidance*, p. 7 (October 4, 2002).

The Regional Superfund Division Director should submit the Transfer Memorandum to the OSRTI Office Director and OSRE Office Director, and if it is a removal site to the OEM Office Director.¹¹ A carbon copy should be submitted to the staff contacts in OSRTI, OSRE, CFC, and other Regional staff. The memorandum should include a very brief site history and information about the settlement agreement(s), describe the status of the site's cleanup efforts, indicate the amount to be transferred, and justify why the funds are no longer needed at the site.

If the Region intends to close the special account at the same time, or immediately following the transfer of funds, this action may be included in the Transfer Memorandum. Optional closeout language is included in Attachment 5. If the Region will be transferring less than \$200K to the Trust Fund, the Model Notification Email (Attachment 3) should be used, as discussed above. If the Region is conducting a reclassification at the same time, the appropriate Reclassification Notification should be used.

Model CFC Closeout Email (Attachment 6)

For use when closing an account:

- 1) When there are no funds remaining in a special account, or
- 2) After prior notification of a transaction, all reconciliations are complete and the special account is ready to be closed.

Regions are required to notify Headquarters when they decide to close a special account.¹² The CFC Closeout Email (Attachment 6) should be used in two instances. The first is where all funds have been expended on site work and the Region does not expect to receive future funds. The second is where there is a delay in time between the notification of a reclassification and the actual closeout of a special account. In the second instance, a follow-up Closeout Email to CFC assures them that all obligations have been met, all reconciliations are complete, and the account is ready to be closed. Regions are responsible for conducting closeouts consistent with current guidance. At the end of the fiscal year, OSRTI and OSRE will review a sample of account closeouts in each Region to ensure the actions were taken in accordance with guidance, including the assurances in Attachment 6 (e.g., settlement terms, etc.) were provided, and will report any concerns to the Regions and Special Accounts Senior Management Committee.

The Closeout Email should be submitted by the Regional Special Account Site Contact to the staff contact in CFC when the account is ready to be closed.¹³ The regional contacts branch chief, along with staff contacts in OSRTI, OSRE, and if it is a removal site, OEM, should be carbon copied. The email should include the name of the site and the special account number. The Region should also affirm that all obligations have been liquidated or expended and that no future funds will be deposited into this account, all reconciliations or reclassifications are

¹¹ This memorandum supersedes the contacts required in the *OCFO Fact Sheet, Superfund Special Accounts*, p. 2 (April 2005).

¹² This memorandum supersedes the consultation requirement and contacts required in the *Superfund Special Accounts Closeout Procedures*, p. 2 (September 28, 2005) is available at, <http://intranet.epa.gov/ocfo/policies/transmittals/tr05-03att.pdf>.

¹³ This memorandum supersedes the requirement for a CFC Request for Closeout Memorandum under the *Superfund Special Accounts Closeout Procedures*, p. 2 (September 28, 2005).

complete if applicable, and the consistency with any settlement agreements. If applicable, the email should reference the previously submitted Reclassification Notification. A Region may combine several closeouts into one email.

If a transfer of funds and/or a reclassification is to occur, the appropriate Transfer or Reclassification Notifications should be used, as discussed above.

Adapting the Model Notifications to Specific Sites

We encourage you to use these model memoranda and tailor them to your specific site needs. Headquarters staff in OSRE and OSRTI are available for consultation and to review drafts prior to receiving a finalized memorandum. If you have any questions, please contact: Manuel Ronquillo (OSRE) at 202-564-6065 or Tracey Stewart (OSRTI) at 703-603-8791.

Attachments (6)

cc: Office of Regional Counsel Superfund Branch Chiefs, Regions I – X
Regional Remedial Branch Chiefs, Regions I – X
Regional Removal Branch Chiefs, Regions I – X
Superfund Special Accounts Coordinators, Regions I – X
David Bloom, OCFO/OB
Raffael Stein, OCFO/OFS
Dana Tulis, OSWER/OEM
Dana Stalcup, OSWER/OEM
Lisa Guarneiri, OSWER/OEM
Manuel Ronquillo, OECA/OSRE
Meshell Jones-Peeler, OCFO/OFM
Gregory Luebbering, OCFO/OFS/CFC
Peter Hendrickson, OCFO/OFS/CFC
Laura Ripley, OCFO/OB
Tracey Stewart, OSWER/OSRTI

Notification Requirements for Special Account Reclassifications, Transfers to the Trust Fund, and Account Closures

Intent to Establish Email (Attachment 2)	
Required only when the original settlement language is silent on the creation of a special account.	
TO	<ul style="list-style-type: none"> • OSRTI Staff • OSRE Staff • OEM Staff (if removal)
FROM	<ul style="list-style-type: none"> • Regional Special Account Site Contact
CC	<ul style="list-style-type: none"> • OCFO/OFS/CFC Staff • Regional Special Account Site Contact Manager/Branch Chief • Regional program, legal and finance contacts

Reclassification/Transfer¹⁴/Closure Notification Email (individual actions must be <\$200K) (Attachment 3)	
For use when: 1) Reclassifying less than \$200K, 2) Reclassifying less than \$200K and transferring less than \$200K to the Trust Fund, 3) Reclassifying less than \$200K, transferring less than \$200K to the Trust Fund, and closing the account, 4) Reclassifying less than \$200K and closing the account, 5) Transferring less than \$200K to the Trust Fund, or 6) Transferring less than \$200K and closing the account.	
TO	<ul style="list-style-type: none"> • OCFO/OFS/CFC Staff or Regional Financial Office staff
FROM	<ul style="list-style-type: none"> • Regional Special Account Site Contact
CC	<ul style="list-style-type: none"> • OSRTI Staff • OSRE Staff • OEM Staff (if removal) • OCFO/OB Staff • Regional Special Account Site Contact Manager/Branch Chief • Regional program, legal and finance contacts

Reclassification Memo (and Transfer and/or Closeout) (any one action is >= \$200K) (Attachment 4)	
For use when: 1) Reclassifying \$200K or more, 2) Reclassifying \$200K or more and transferring funds to the Trust Fund, 3) Reclassifying \$200K or more, transferring funds to the Trust Fund, and closing the account, 4) Reclassifying \$200K or more and closing the account, 5) Reclassifying less than \$200K and transferring \$200K or more to the Trust Fund, or 6) Reclassifying less than \$200K, transferring \$200K or more to the Trust Fund, and closing the account.	
TO	<ul style="list-style-type: none"> • OSRTI Director • OSRE Director • OEM Director (if removal)

¹⁴ Transfer of funds includes all funds to be made available for future appropriation by Congress (i.e., principal and interest).

FROM	<ul style="list-style-type: none"> • Superfund Director
CC	<ul style="list-style-type: none"> • OCFO/OB Director • OCFO/OB Staff • Program Costing Staff, OCFO/OFM Director • Director, OCFO/OFS/CFC • OCFO/OFS/CFC Staff • OSRTI Staff • OSRE Staff • OEM Director BOC (if removal) • OEM Staff (if removal) • Regional Comptroller • Regional Budget Officer • Regional program, legal and finance contacts

Transfer Memo (and Closeout) (>=>\$200K) (Attachment 5)	
For use when: 1) Transferring \$200K or more to the Trust Fund, or 2) Transferring \$200K or more to the Trust Fund and closing the account.	
TO	<ul style="list-style-type: none"> • OSRTI Director • OSRE Director • OEM Director (if removal)
FROM	<ul style="list-style-type: none"> • Superfund Director
CC	<ul style="list-style-type: none"> • OCFO/OFS/CFC Staff • Program Costing Staff, OCFO/OFM Director • OSRTI Staff • OSRE Staff • OEM Director BOC (if removal) • OEM Staff (if removal) • Regional program, legal and finance contacts

Closeout Email (\$0) (Attachment 6)	
For use when closing an account 1) When there are no funds remaining in a special account or 2) After prior notification of a transaction, all reconciliations are complete and the special account is ready to be closed.	
TO	<ul style="list-style-type: none"> • OCFO/OFS/CFC Staff
FROM	<ul style="list-style-type: none"> • Regional Special Account Site Contact
CC	<ul style="list-style-type: none"> • OSRTI Staff • OSRE Staff • OEM Staff (if removal) • Regional Special Account Site Contact Manager/Branch Chief • Regional program, legal and finance contacts

Intent to Deposit Email

Editor's Note: The Deposit Email is required only when the original settlement language is silent on the creation of a special account. This email should be made part of the site file.

Information in **bold** and/or **[brackets]** requires insertion and/or updating, as appropriate.

A list of current contacts is found on EPA's intranet site at, <http://intranet.epa.gov/oeca/osre/workgroup/sa/sa-contacts.html>.

EMAIL

FROM: Regional Special Account Site Contact

TO: Staff Contact in OSWER/OSRTI
Staff Contact in OECA/OSRE
[If it is a removal site, include: Staff Contact in OSWER/OEM]

CC: Regional Special Account Site Contact Manager or Branch Chief
Staff Contact in OCFO/OFS/CFC
Regional program, legal and finance contacts

SUBJECT: Notification of Intent to **[insert "Establish a" or "Deposit Funds into an Existing"]** Special Account for the **[Site Name]** Superfund Site

BODY OF EMAIL:

Region [#] is **[insert "establishing a" or "depositing funds into an existing"]** special account for the **[Site Name]** Superfund Site (Site). The funds will be received under **[enter the agreement under which these funds will be received, including the title and date (e.g., "an AOC entered into with ABC PRP, Inc. on January 1, 1998")]**, which is silent on the creation of a special account. **[Optional: include any other relevant facts related to the deposit of funds into a special account.]**

[Indicate the amount of money that will be deposited and briefly describe the potential future work at the site that may be funded by the special account.]

These funds will be planned for use in the CERCLIS Special Account Management Screen after deposited in the account.

The EPA Site Spill ID# is **[insert number]**. Questions regarding this action should be directed to the program contact, **[Name]** at **[Phone Number]**, Site attorney, **[Name]** at **[Phone Number]**, or finance contact, **[Name]** at **[Phone Number]**

Email Notification for Reclassification/Transfer/Closeout (<\$200K)

Editor's Note: The Email Notification can be used to notify Headquarters of a Region's intention to:

- 1) Reclassify less than \$200K,
- 2) Reclassify less than \$200K and transfer to the Trust Fund less than \$200K (including both principal and interest),
- 3) Reclassify less than \$200K, transfer to the Trust Fund less than \$200K (including both principal and interest), and close the account,
- 4) Reclassify less than \$200K and close the account,
- 5) Transfer less than \$200K (including both principal and interest),
- 6) Transfer less than \$200K (including both principal and interest), and close the account.

If any single action involves \$200K or more, a Memorandum should be sent to HQ (Attachments 4 or 5).

Information in **bold** and/or **[brackets]** requires insertion and/or updating, as appropriate.

A list of current contacts is found on EPA's intranet site at, <http://intranet.epa.gov/oeca/osre/workgroup/sa/sa-contacts.html>.

EMAIL

FROM: Regional Special Account Site Contact

TO: **[Staff Contact in OCFO/OFS/CFC]** or **[Regional Finance Office contact]**

CC: Regional Special Account Site Contact Manager or Branch Chief
Staff Contact in OSWER/OSRTI
Staff Contact in OECA/OSRE
Staff in OCFO/OB
[If it is a removal site, include: Staff Contact in OSWER/OEM]
Regional program, legal and finance contacts

SUBJECT: **[Reclassification]** **[and]** **[Transfer to the Superfund Trust Fund]** of Special Account Funds **[and Special Account Closure]** for the **[Site Name]** Site

BODY OF THE EMAIL:

[If reclassifying, insert: Region [#] is reclassifying funds in the [Site Name] Superfund Site (Site) Special Account [(special account number)]. The total amount to be reclassified in this action is [\$X.XX]. The breakout by PRC is [\$X.XX Removal] [\$X.XX Enforcement] [and] [\$X.XX Remedial]. The Region plans to request recertification in accordance with the current fiscal year Deobligation Recertification Guidance.]

[If transferring funds to the Trust Fund, insert: The Region requests that the CFC transfer \$X.XX] to the general portion of the Superfund Trust Fund (Trust Fund).]

[If closing, insert: The Region requests that the CFC close the Site Special Account.]

In accordance with EPA guidance on special accounts, [this or these] decision[s] [is or are] appropriate because:

Future Work (insert one):

- ***[If reclassifying and/or transferring funds only: The Region has determined that the available funds in the special account exceed the Region's projected costs of remaining work at the Site, taking into consideration the need for additional work, five-year reviews, O&M, contingencies, etc.]***
- ***[If reclassifying and/or transferring funds and closing: The Region is satisfied that all required Site activities have been performed.]***
- ***[If reclassifying and/or transferring funds and closing: Work is ongoing, but the Region has determined that the funds remaining in the special account are no longer needed to support the work at the Site because [insert brief explanation (e.g., the balance is too small, the PRPs/State is completing the work).]***

[Insert this section in the email only if transferring funds and NOT reclassifying:

Reclassification (insert one):

- ***[There are no past expenditures of appropriated "T" resources at this Site to reclassify.]***
- ***[Appropriate past expenditures of appropriated "T" resources at this Site have been reclassified.]]***

Settlement Terms:

- ***The Region has reviewed the terms of the settlement agreement[s], along with current financial records, and there is no impediment to this action.***

[Insert this section in the email only if closing the account:

Special Account Closure

- ***All obligations have been liquidated or expended. The Region is confident that no future funds will be deposited into this account.]***

[If reclassifying, insert: Please find attached to this email a file containing the decrease/increase lines of accounting for the KV document. Please enter these into IFMS for the reclassification.]

[If closing the account, insert: Upon closing the account, the unused interest (\$X.XX) earned on the special account will reduce Treasury's liability owed to the Trust Fund.]

The CERCLIS Special Account Management Screen [insert “will be” or “has been”] updated to reflect this action.

Questions regarding this memorandum should be directed to the program contact, [Name] at [Phone Number], Site attorney, [Name] at [Phone Number], or finance contact, [Name] at [Phone Number].

Reclassification Memorandum [and Transfer and/or Closeout] (>= \$200K)

Editor's Note: The Reclassification Memorandum updates and replaces the Model Reclassification Justification Memo, issued with the *Revised Guidance on Reclassification of Superfund Special Accounts* (January 23, 2009). This memorandum can be used to notify Headquarters of a Region's intention to:

- 1) Reclassify \$200K or more,
- 2) Reclassify \$200K or more and transfer funds to the Trust Fund,
- 3) Reclassify \$200K or more, transfer funds to the Trust Fund, and close the account,
- 4) Reclassify \$200K or more and close the account
- 5) Reclassify less than \$200K and transfer \$200K or more to the Trust Fund (including both principal and interest), or
- 6) Reclassify less than \$200K, transfer \$200K or more to the Trust Fund (including both principal and interest), and close the account.

Staff in OSRTI and OSRE are available to review draft memoranda prior to finalizing them for submission to Headquarters. Emailing a scanned copy of the signed memorandum is sufficient for transmittal of the final memorandum to Headquarters.

If each action for the account will be less than \$200K, an email notification of those actions is sufficient. The Regions may use the Reclassification/Transfer/Closeout Notification Email (Attachments 3).

Information in **bold** and/or **[brackets]** requires insertion and/or updating, as appropriate.

A list of current contacts is found on EPA's intranet site at, <http://intranet.epa.gov/oeca/osre/workgroup/sa/sa-contacts.html>.

MEMORANDUM

SUBJECT: Reclassification **[and Transfer to the Superfund Trust Fund]** of Special Account Funds **[and Special Account Closure]** for the **[Site Name]** Site

FROM: **[Name]**, Director
Superfund Division, Region **[#]**

TO: **[Name]**, Director
Office of Superfund Remediation and Technology Innovation (OSRTI)
Office of Solid Waste and Emergency Response (OSWER)

[If it is a removal site, insert:

[Name], Director
Office of Emergency Management (OEM)
Office of Solid Waste and Emergency Response (OSWER)]

PURPOSE

The purpose of this memorandum is to serve as notification of the Region's intent to reclassify funds in the [Site Name] Superfund Site (Site) Special Account [(special account number)], in accordance with the "Revised Guidance on the Reclassification of Superfund Special Accounts" (January 23, 2009). The total amount to be reclassified in this action is [\$X.XX]. The Region plans to request recertification in accordance with the current fiscal year Deobligation Recertification Guidance. [In accordance with the "Consolidated Guidance on Establishment, Management and Use of CERCLA Special Accounts" (October 4, 2002), the Region has also determined it is timely to [transfer [\$X.XX] to the general portion of the Superfund Trust Fund (Trust Fund)] [and] [close the account].] [Following completion of the reclassification [and transfer to the Trust Fund], this special account should be closed, in accordance with the "Superfund Special Accounts Closeout Procedures" (September 28, 2005).]

SITE BACKGROUND

[The site background should be very brief. Please include basic information about:

- the contamination present,
- the remedy selected,
- the status of the cleanup efforts at the site, and
- the enforcement history, including enforcement actions and agreements entered.

If all or a portion of this information is accessible online, you may provide a link to that information. If any portion is not available online (e.g., enforcement related information), please include it here.]

SETTLEMENT AND SPECIAL ACCOUNT

[Include information about the settlement agreement(s) under which EPA received the funds and the special account. This should include:

- the agreement creating the special account,
- specific special account language,
- any limitations on use of the funds,
- when funds were deposited in the special account,
- if no funds have been disbursed or obligated from the special account, an explanation as to why, and
- the current balance.]

The Region has reviewed the terms of the settlement agreement[s], along with current financial records, and there is no impediment to this action.

DISCUSSION OF FUTURE WORK AND RATIONALE FOR RECLASSIFICATION

[Where the special account will remain open, the Region should discuss any future work remaining at the site and timeframes, remaining costs to EPA and how those costs will be funded, and long-term planning assumptions, including various parties' future implementation responsibilities and contingency or future remedy issues.]

[Based on future planning assumptions, the Region should provide its rationale to reclassify and/or transfer to the Trust Fund the special account funds. For example, did work at the site cost less than anticipated, or is a PRP now performing the work under a settlement? What is the Region's estimate for the level of uncertainty regarding future actions at the site?]

DISCUSSION OF PLANNED USE FOR THE RECERTIFIED FUNDS

[This section should include the total amount requested for reclassification, the categories (e.g., the remedial, removal, enforcement PRCs) of previous activities against which the special account funds will be recertified, and the dollar amounts for each category.

EXAMPLE:

The region will be reclassifying \$X.XX. The breakout by PRC is as follows:

Removal	\$ X.XX
Enforcement	\$ X.XX
Remedial	\$ X.XX]

The Region will request recertification in accordance with the current fiscal year Deobligation Recertification Guidance.

[TRANSFER OF REMAINING FUNDS TO THE SUPERFUND TRUST FUND] [AND CLOSEOUT OF THE SPECIAL ACCOUNT]

[If work is ongoing and the account will remain open, please insert the following: “As noted above, work is ongoing at the Site. However, the Region has determined that the funds in the [Site Name] Special Account exceed projected costs of the remaining Site work and may be transferred to the Trust Fund per the terms of the settlement agreement discussed above. The Region requests that [the principal (\$X.XX) be transferred to the Trust Fund] [and] [\$X.XX in unused interest earned on the special account will reduce Treasury's liability owed to the Trust Fund]. The remaining funds in the special account, [\$X.XX], will be used to conduct the above mentioned activities.”]

[If work is complete and the account will be closed, please insert the following: “Region [#] is satisfied that all activities required under [insert title or type of document or

agreement] have been performed and all costs paid. Enforcement actions are complete and therefore, the Region is confident that no future funds will be deposited into this account. The Region has determined there are no additional costs anticipated with this Site and all obligations have been liquidated or expended. The balance in the [Site Name] Special Account as of [date] is [\$X.XX]. [The Region requests that the principal (\$X.XX) be transferred to the Trust Fund.] [Upon closing the account, the unused interest earned on the special account (\$X.XX) will reduce Treasury's liability owed to the Trust Fund.] A final CFC Request for Closeout Email will be submitted to the Cincinnati Finance Center once the reconciliation is finalized, all transactions are complete, and the account is ready to be closed.”]

[If work is ongoing and the account will be closed, please insert the following: “As noted above, work is ongoing, but [insert “no funds remain in the special account” or “the Region has determined that the funds remaining in the special account are no longer needed to support the remaining work at the Site”]. The special account balance as of [date] is [\$X.XX] (\$X.XX principal) [, plus] [\$X.XX interest]. [The Region requests that the principal (\$X.XX) should be transferred to the Trust Fund.] [Upon closing the account, the unused interest earned on the special account will reduce Treasury's liability owed to the Superfund Trust Fund.] A final CFC Request for Closeout Email will be submitted to the Cincinnati Finance Center once the reconciliation is finalized, all transactions are complete, and the account is ready to be closed.”]

The settlement agreement[s] [insert “has” or “have”] been reviewed along with current financial records and there is no impediment to this action.

The CERCLIS Special Account Management Screen [insert “will be” or “has been”] updated to reflect these actions.

Questions regarding this memorandum should be directed to the program contact, [Name] at [Phone Number], Site attorney, [Name] at [Phone Number], or finance contact, [Name] at [Phone Number].

cc: [Name], Director OCFO/OB
[Name staff contact], OCFO/OB
[Name], Director OCFO/OFS/CFC
[Name staff contact], OCFO/OFS/CFC
[Name], Director Program Costing Staff, OCFO/OFM
[Name staff contact], OSWER/OSRTI
[If it is a removal site, insert: [Name], Director Business Operations Center, OSWER/OEM]
[If it is a removal site, insert: [Name staff contact], OSWER/OEM]
[Name staff contact], OECA/OSRE
[Name], Regional Comptroller
[Name], Regional Budget Officer
[Names of Regional program, legal and finance contacts]

Transfer Memorandum [and Closeout] (>=> \$200K)

Editor's Note: The Transfer Memorandum is required when the Region intends to transfer \$200K or more to the Trust Fund (including principal and interest). If the Region plans to close the account at the same time (or immediately following the transfer of funds), this action may be included in the Transfer Memorandum. Staff in OSRTI and OSRE are available to review draft memoranda prior to finalizing them for submission to Headquarters. Emailing a scanned copy of the signed memorandum is sufficient for transmittal to Headquarters.

If less than \$200K will be transferred, an email may be sent to Headquarters (Attachment 3). If the transfer is part of a reclassification, then the Region should use the Reclassification Notifications, since they contain optional transfer language (Attachments 3 and 4).

Information in **bold** and/or **[brackets]** requires insertion and/or updating, as appropriate.

A list of current contacts is found on EPA's intranet site at, <http://intranet.epa.gov/oeca/osre/workgroup/sa/sa-contacts.html>.

MEMORANDUM

SUBJECT: Transfer of Funds to the Superfund Trust Fund **[insert "from" or "and Closeout of"]** the **[Site Name]** Special Account

FROM: **[Name]**, Director
Superfund Division, Region **[#]**

TO: **[Name]**, Director
Office of Superfund Remediation and Technology Innovation (OSRTI)
Office of Solid Waste and Emergency Response (OSWER)

[If it is a removal site, insert:

"[Name], Director

Office of Emergency Management (OEM)

Office of Solid Waste and Emergency Response (OSWER)"]

[Name], Director

Office of Site Remediation Enforcement (OSRE)

Office of Enforcement and Compliance Assurance (OECA)

PURPOSE

The purpose of this memorandum is to advise you of Region [#]'s plans to transfer funds from the [Site Name] Superfund Site (Site) Special Account [(special account number)] to the general portion of the Superfund Trust Fund (Trust Fund). In accordance with the "Consolidated Guidance on the Establishment, Management and Use of CERCLA Special Accounts" (October 4, 2002), the Region has determined it is timely to transfer [\$X.XX] to the Trust Fund. *[Insert one of the following: "As discussed below, available funds in this special account exceed the projected costs of remaining work at the Site" or "Work is complete and appropriate past costs at this Site have been reclassified"]*. [After the transfer is complete, the account should be closed in accordance with the "Superfund Special Accounts Closeout Procedures" (Sept. 28, 2005).]

SITE BACKGROUND

[The site background should be very brief. Please include basic information about:

- the contamination present,
- the remedy selected, and
- the enforcement history, including enforcement actions, agreements entered, and specific special account language.

If all or a portion of this information is accessible online, you may provide a link to that information. If any portion is not available online (*e.g.*, enforcement related information), please include it here.]

STATUS OF CLEANUP AND NEED FOR SPECIAL ACCOUNT FUNDS

[Identify the current status of the cleanup and who is responsible for conducting any remaining work. Discuss how the remaining account funds will be used and/or how the Regional Program Office (RPO) will finance any remaining response activities (*e.g.*, RD/RA costs, Five-Year Reviews, O&M). Also discuss the remaining risks at the site and how the cost projection was developed (*e.g.*, are costs for future contingencies included?).]

TRANSFER OF FUNDS TO THE SUPERFUND TRUST FUND [AND CLOSEOUT OF THE SPECIAL ACCOUNT]

The special account contains [\$X.XX] ([\$X.XX principal] [, plus] [\$X.XX interest]).

[If work is ongoing and the account will remain open, please insert the following: Region [#] has determined that this is in excess of the projected costs of remaining work at the Site. The Region requests that [\$X.XX] be transferred from the special account to the Trust Fund. [There are no funds to be reclassified.] [In a separate action, the Region has reclassified appropriate funds to address EPA's unreimbursed past costs at this Site.] [The remaining funds in the special account, [\$X.XX], will be used to conduct the above mentioned activities.]]

[If work is complete and the account will be closed, please insert the following: “The Region requests that [\$X.XX] be transferred from the special account to the Trust Fund. All Site work is complete and it is timely to close the account. The Region is satisfied that all activities required under [insert title or type of document or agreement] have been performed and all costs paid. [There are no funds to be reclassified.] [In a separate action, the Region has reclassified appropriate funds to address EPA’s unreimbursed past costs at this Site.] The Region has determined there are no additional costs anticipated with this Site and all obligations have been liquidated or expended. Enforcement actions are complete and therefore, the Region is confident that no future funds will be deposited into this account. [Upon closing the account, the unused interest (\$[X.XX]) earned on the special account will reduce Treasury’s liability owed to the Trust Fund.]”]

[If work is ongoing and the account will be closed, please insert the following: “[The Region requests that [\$X.XX] be transferred from the special account to the Trust Fund and that the account be closed. Response work is ongoing at the Site; however, the special account associated with this Site is unnecessary to complete this work because [insert brief explanation (e.g., the balance is too small, the PRPs/State is completing the work)]. [There are no funds to be reclassified.] [In a separate action, the Region has reclassified appropriate funds to address EPA’s unreimbursed past costs at this Site.] Enforcement actions are complete and therefore, the Region is confident that no future funds will be deposited into this account. [Upon closing the account, the unused interest (\$[X.XX]) earned on the special account will reduce Treasury’s liability owed to the Trust Fund.]”]

The Region has reviewed the terms of the settlement agreement[s], along with current financial records, and there is no impediment to this action. The CERCLIS Special Account Management Screen [insert “will be” or “has been”] updated to reflect this action.

[After reviewing this action, we request that Headquarters notify the Cincinnati Finance Center that this special account is ready to be closed.]

Questions regarding this memorandum should be directed to the program contact, [Name] at [Phone Number], Site attorney, [Name] at [Phone Number], or finance contact, [Name] at [Phone Number].

cc: [Name], Director Program Costing Staff, OCFO/OFM
[Name staff contact], OCFO/OFS/CFC
[Name staff contact], OSWER/OSRTI
[If it is a removal site, insert: [Name], Director Business Operations Center, OSWER/OEM]
[If it is a removal site, insert: [Name staff contact], OSWER/OEM]
[Name staff contact], OECA/OSRE
[Names of Regional program, legal and finance contacts]

CFC Closeout Email

Editor's Note: The Closeout Email is be used 1) when there are no funds remaining in a special account or 2) after prior notification of a transaction, all reconciliations are complete and the special account is officially ready to be closed. If a Region plans to close multiple accounts at one time, these actions may be combined into one email.

If a Region plans to reclassify or transfer funds to the Trust Fund at the same time (or prior to closing the account), the appropriate Reclassification and Transfer notifications should be used, since they contain optional closeout language (Attachments 3, 4 and 5).

Information in **bold** and/or **[brackets]** requires insertion and/or updating, as appropriate.

A list of current contacts is found on EPA's intranet site at, <http://intranet.epa.gov/oeca/osre/workgroup/sa/sa-contacts.html>.

EMAIL

FROM: Regional Special Account Site Contact

TO: Staff Contact in OCFO/OFS/CFC

CC: Regional Special Account Site Contact Manager or Branch Chief
Staff Contact in OSWER/OSRTI
Staff Contact in OECA/OSRE
[If it is a removal site, insert: Staff Contact in OSWER/OEM]
Regional program, legal and finance contacts

SUBJECT: Closeout of the **[Site Name]** Special Account

BODY OF THE EMAIL:

Region [#] requests that the CFC close the **[Site Name]** Superfund Site (Site) Special Account **[(special account number)]**. All transactions are complete and the account has a balance of \$0. Any residual interest will reduce Treasury's liability owed to the Trust Fund. In accordance with EPA guidance on special accounts, this decision is appropriate because:

Closeout Special Account

- The funds in this special account have been exhausted on Site response actions. All obligations have been liquidated or expended. The Region is confident that no future funds will be deposited into this account.

[Prior Transactions:

- All transactions and reconciliations are complete. All appropriate past expenditures of appropriated "T" resources at this Site have been reclassified. *[If applicable, reference the previously submitted Reclassification or Transfer Notification.]*

Settlement Terms:

- The Region has reviewed the terms of the settlement agreement[s], along with current financial records, and there is no impediment to this action.

Questions regarding this memorandum should be directed to the program contact, [Name] at [Phone Number], Site attorney, [Name] at [Phone Number], or finance contact, [Name] at [Phone Number].